

CENTRAL INTELLIGENCE AGENCY
INFORMATION REPORT

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COUNTRY	East Germany/USSR	REPORT	
SUBJECT	Construction Activity at the VEB Warnow-Werft, Rostock	DATE DISTR.	12 November 1954
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THE SOURCE EVALUATIONS IN THIS REPORT ARE DEFINITIVE.
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 (FOR KEY SEE REVERSE)

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1. The VEB Warnow-Werft, Rostock, basically revised its production program as of 11 May 1954. Since 3 May 1954, it has no longer welded parts for the hulls of passenger ships for the Volga-Don Canal in the USSR, but is welding hulls for pontoons exclusively. 25X1
2. The construction of passenger ships for the USSR has proved to be a fiasco. A passenger ship was estimated by the Russians to cost 4,000,000 DM; according to the chief of the section for the construction of passenger ships, Bielstein (fmu), a more accurate cost of a single passenger vessel 25X1 is 6,500,000 DM. Originally, 30 passenger ships for export to the USSR were planned. No new construction of ships of this type is being undertaken.
3. The two passenger ships, ISSYK and BAYKAL, which were scheduled to be delivered in December 1953, have not progressed to the point where they are ready for the trial run. Construction was hindered all along the line by the lack of necessary materials.
4. The two passenger ships, SEVAN and ONEGA, which were begun in 1953, and four other passenger vessels are to be completed in 1954. It is, however, doubtful that these passenger vessels will or can be completed in this year because of a shortage of materials.
5. The management of the shipyard hopes to experience more success with the pontoon construction program than it did with the one for passenger ships. In the first place, the construction of a pontoon is not as complicated, and the procurement of the necessary materials should not be as difficult.

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